

On-site Education of Practical Languages for Area Studies

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On my research theme

Jakarta's public water company which owned by provincial government of DKI Jakarta has been privatized in 1997, in order to improve the public management of water infrastructure in urban city. As in the capital city in Indonesia, Jakarta's water supply has never met its increasing demand. This is due to the rapid population growth and industrialization for recent couple of decades, while the water infrastructure and water providing service have been consistently insufficient. Besides, Jakarta has been suffered from critical water issues for these decades, such as annual flooding and land subsidence caused by over extraction of ground water as an alternative source of tapped water supply. The provincial government took an action to privatize the public water company PAM Jaya with the strong promotion from World Bank and International Monetary Fund Two foreign water companies gained the concession with PAM Jaya to operate and manage the water enterprise in 1997, but shortly after in 2006, those foreign companies began to withdraw their business in Jakarta and the business share capital moved to local companies under large conglomerates. These big conglomerates that astoundingly expanded their business during the Suharto regime shrewdly survived the Asian crisis in 1997 and have re-expanded their business in the post-Suharto period. In water business in Jakarta, they utilized the anti-foreign capital and anti-privatization sentiments shown in the media and delivered by NGOs in order to expel the foreign capital and capture their business. Now the domestic companies are successfully improving their images by showing their "sincere" CSRs for the poor communities.

By acknowledging the large influence of economic globalization, the research considers the interaction of the global and domestic capital-led policy trend, as well as economic and political interest of those stakeholders. Though the privatization appears to be enforced by pressures of global forces, for this couple of years, it turns out that the domestic arena is still a ground for the local forces that shrewdly seize the opportunity and obtain economical gain even by utilizing the global policy. Therefore, this case study of Jakarta would provide current perspective of the business competition and Indonesian policy arena in this globalization era.



Building of Pubic Water Company.



Reception of Public Water Company



There is no water sanitation infrastructure in suburb of Jakarta. Water environment of Central Jakarta.